

Clorius Controls is keeping an eye on India

Danish Export Association is paving the way for suppliers to the shipbuilding industry.

It takes time to find and establish new markets – but they are there, and Torben Laursen, Sales Manager in Clorius Controls A/S in Ballerup, has no doubts that India is one of the places which Clorius Controls should focus on when it comes to export of components for temperature and pressure control in the shipbuilding industry.

Not least after a recent visit to India with a delegation of other enterprises organised by Danish Marine Group under Danish Export Association. The Danish Minister for Economic and Business Affairs, Brian Mikkelsen, headed the delegation together with Denmark's ambassador to India, Freddy Svane. The visit opened some doors, which the enterprises themselves are going to see to stay open.

- Around 70 per cent of our export turnover of these components are sold to the shipbuilding industry with China as the absolute biggest market, Torben Laursen says.

A strong stand in China

In China, Clorius Controls has a market share of 25 per cent in this area, and it is a market which has been established over a period of 20 years. Moreover, since 2004, Clorius Controls has had a sales office in Shanghai, which has seven employees today.

- So, Asia is not unknown territory to us, and we are also aware that it is a changing market, since the shipbuilding industry is in the process of moving from North Asia and further southwards with China as the big winner, while Japan and Korea are losing territory, he assesses. And southwards, the Indians are also preparing their industry and making ready for getting a share of the market.

- Their goal is to gain market shares, and the shipbuilding industry is an important element in India's five-year plan where this industry is to gain a share of 7.5 per cent before 2017.

- So, naturally, it is interesting to us, and even if their shipbuilding industry has also been hit by the financial crisis, we believe that the development will turn around and that India will turn around with it. Therefore, we have decided to work on increasing our sales to India via existing agents and possibly open our own sales office. India's big problem is that the country does not have its own production in the area, mean-



The Danish Minister for Economic and Business Affairs, Brian Mikkelsen, opened the seminar in Mumbai.

ing that components need to be imported. Both Japan and Korea have established their own production, and China is in the process of doing it, Torben Laursen explains.

Naturally, it is a challenge to competition.

Indian bureaucracy

Another problem is the Indian bureaucracy, which is also a significant challenge.

- They have the advantage of low wages, but their bureaucracy is heavy. An Indian told me with his tongue in his cheek that "The British invented bureaucracy in India, but we perfected it". The requirements are time-consuming for both sub-suppliers and own shipyards, he says.

Torben Laursen also states that the advantage of being a member of a delegation is that it is possible to make contact higher in the hierarchy than would have been possible on your own. Also, more influential people come within your reach – not necessarily the exact right ones, but, at least, some who are able to guide you on in the system.

- So those ten days were absolutely worth the effort, he assesses.

More participants

Apart from Clorius Controls, the seminar also had participation from Danfoss Semco A/S Fire Protection, Desmi A/S, Force Technology, Hempel A/S, Grundfos A/S, and Selco A/S. Clorius Controls was founded already in 1902 by the brothers Odin and Aksel Clorius. Already then, Clorius Controls manufactured temperature control equipment. In 1999, that part of the company was sold to a Dutch group, which is also the owner of Broen A/S in Assens, which together with Clorius Controls is manufacturing valves in Poland. In addition to producing to the shipbuilding industry, Clorius Controls produce control systems for heating and ventilation systems, primarily in Denmark.

By Karen Sloth